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**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
OAKLAND DIVISION**

15 RALPH D. WILDER, Derivatively on ) Case No. C 07-01500 CW  
16 Behalf of SONIC SOLUTIONS, INC. )  
17 )  
18 Plaintiff, )  
19 v. )  
20 )  
21 ROBERT J. DORIS, MARY C. SAUER, )  
22 JAMES A. MOORER, MICHAEL C. )  
23 CHILD, ROBERT M. GREBER, PETER J. )  
24 MARGUGLIO, R. WARREN LANGLEY, )  
25 A. CLAY LEIGHTON, KIRK PAULSEN, )  
MICHAEL J. COSTELLO and )  
CHRISTOPHER A. KRYZAN, )  
Defendants, )  
and )  
SONIC SOLUTIONS, INC. )  
Nominal Defendant. )  
REPLY IN SUPPORT OF )  
PLAINTIFFS ANDREW )  
WALTER AND JAMES )  
FORSETH'S MOTION TO )  
CONSOLIDATE CASES AND )  
TO APPOINT LEAD )  
PLAINTIFFS AND LEAD )  
COUNSEL )  
Date: August 2, 2007 )  
Time: 2:00 p.m. )  
Before: Hon. Claudia Wilken )

REPLY IN SUPPORT OF PLAINTIFFS ANDREW WALTER AND JAMES FORSETH'S MOTION  
TO CONSOLIDATE CASES AND TO APPOINT LEAD PLAINTIFFS AND LEAD COUNSEL,  
AND IN OPPOSITION TO THE MOTION OF SAMMY K. DOOLITTLE AND RALPH D. WILDER  
CASE NO. C 07-01500 CW

1 ANDREW WALTER, Derivatively on )  
2 Behalf of Nominal Defendant SONIC )  
3 SOLUTIONS, ) Case No. C 07-02344 CW  
4 v. Plaintiff, )  
5 )  
6 ROBERT J. DORIS, MARY C. SAUER, )  
7 JAMES A. MOORER, MICHAEL C. )  
8 CHILD, ROBERT M. GREBER, PETER J. )  
9 MARGUGLIO, R. WARREN LANGLEY, )  
10 A. CLAY LEIGHTON, KIRK PAULSEN, )  
11 MICHAEL J. COSTELLO and )  
12 CHRISTOPHER A. KRYZAN, )  
13 )  
14 Defendants, )  
15 and )  
16 SONIC SOLUTIONS, )  
17 )  
18 Nominal Defendant. )  
19 )  
20 JAMES FORSETH, Derivatively on )  
21 Behalf of Nominal Defendant SONIC )  
22 SOLUTIONS, ) Case No. C 07-03178 CW  
23 v. Plaintiff, )  
24 )  
25 ROBERT J. DORIS, MARY C. SAUER, )  
26 JAMES A. MOORER, MICHAEL C. )  
27 CHILD, ROBERT M. GREBER, PETER J. )  
28 MARGUGLIO, R. WARREN LANGLEY, )  
REPLY IN SUPPORT OF PLAINTIFFS ANDREW WALTER AND JAMES FORSETH'S MOTION  
TO CONSOLIDATE CASES AND TO APPOINT LEAD PLAINTIFFS AND LEAD COUNSEL,  
AND IN OPPOSITION TO THE MOTION OF SAMMY K. DOOLITTLE AND RALPH D. WILDER  
CASE NO C 07-01500 CW

1      SAMMY K. DOOLITTLE, Derivatively on )  
2      Behalf of Nominal Defendant SONIC )  
3      SOLUTIONS, ) Plaintiff, ) Case No. C 07-03361 BZ  
4    ) v. )  
5      ROBERT J. DORIS, DAVID C. HABIGER, MARY )  
6      C. SAUER, A. CLAY LEIGHTON, MARK ELY, )  
7      ROBERT M. GREBER, PETER J. MARGUGLIO, )  
8      and R. WARREN LANGLEY, )  
9    ) Defendants, )  
10     and )  
11     SONIC SOLUTIONS, )  
12    ) Nominal Defendant. )

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REPLY IN SUPPORT OF PLAINTIFFS ANDREW WALTER AND JAMES FORSETH'S MOTION  
TO CONSOLIDATE CASES AND TO APPOINT LEAD PLAINTIFFS AND LEAD COUNSEL,  
AND IN OPPOSITION TO THE MOTION OF SAMMY K. DOOLITTLE AND RALPH D. WILDER  
CASE NO C 07-01500 CW

1           Derivative plaintiffs Andrew Walter (“Walter”) and James Forseth (“Forseth”)  
 2 respectfully submit this reply memorandum of law in further support of their motion to  
 3 consolidate the related actions and appoint themselves as Lead Plaintiffs and approve their  
 4 selection of Lead Counsel (the “Motion”), and in reply to the opposition filed by plaintiffs  
 5 Sammy K. Doolittle (“Doolittle”) and Ralph D. Wilder (“Wilder”).

6           **MEMORANDUM OF POINTS AND AUTHORITIES**

7           **I. INTRODUCTION**

8           There are currently four derivative actions brought on behalf of Nominal Defendant  
 9 Sonic Solutions, Inc. (“Sonic” or the “Company”), all of which arise from the same or  
 10 substantially the same facts and involve the same or substantially the same defendants. Within a  
 11 few weeks of one another, plaintiffs Walter and Wilder filed complaints on behalf of Sonic, and  
 12 shortly thereafter plaintiffs Forseth and Doolittle filed similar complaints on behalf of Sonic.  
 13 The majority of the causes of action in the competing movants’ complaints arise out of  
 14 defendants’ conduct of authorizing the backdating of stock option grants to Sonic’s top  
 15 executives at the expense of Sonic and its shareholders. However, Forseth’s complaint also  
 16 includes a unique allegation pursuant to California Corporations Code § 600(c) for the  
 17 Company’s Board of Directors’ failure to hold a statutorily required shareholder meeting within  
 18 the requisite time period, which is not found in Doolittle’s or Wilder’s complaints. *See*  
 19 Opposition to Sammy K. Doolittle and Ralph D. Wilder’s Motion, Case 4:07-cv-02344-CW,  
 20 Document 26, at 5-6 (hereinafter, “Opp.”).

22           The Motion filed by Plaintiffs Walter and Forseth for consolidation of the cases,  
 23 appointment as Lead Plaintiffs, and for approval of their selection of Lead Counsel, was noticed  
 24 for hearing on August 2, 2007.<sup>1</sup> Under Local Rule 7-3(a), and under a Notice and Amended

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26           <sup>1</sup> On June 28, 2007 and again on July 3, 2007, plaintiffs Doolittle and Wilder filed a  
 27 motion of their own to consolidate the related actions, appoint *themselves* Lead Plaintiffs and  
 28 approve their selection of Lead Counsel, the hearing for which was also noticed for August 2,  
 2007. Plaintiffs Walter and Forseth timely opposed the Doolittle/Wilder motion on July 12,

1 Notice issued by the Clerk of the Court on June 13, 2007, plaintiffs Doolittle's and Wilder's  
 2 opposition to the Motion was due on July 12, 2007. However, Plaintiffs Doolittle and Wilder  
 3 failed to file a timely opposition; rather, they filed a late opposition on July 17, 2007. This late  
 4 opposition should be stricken; thus, Doolittle and Wilder have waived their opposition to  
 5 plaintiffs Walter's and Forseth's Motion. As the Motion is unopposed, Plaintiffs Walter and  
 6 Forseth renew their request that the Court appoint them as Lead Plaintiffs and their selected  
 7 counsel, Schiffrian Barroway Topaz & Kessler, LLP ("Schiffrian Barroway"), as Lead Counsel.  
 8 Regardless, should the Court accept Doolittle's and Wilder's tardy opposition, Walter's and  
 9 Forseth's Motion should nevertheless be granted.

10 **II. BACKGROUND**

11 On May 10, 2007, plaintiff Walter filed a motion to consolidate the case of *Walter v.*  
 12 *Doris et al*, No. C-07-2344-MEJ (the "Walter Action") – with the related case of *Wilder v. Doris*  
 13 *et al.*, No. C-07-1500-MEJ (the "Wilder Action"), and to seek appointment as Lead Plaintiff and  
 14 approval of his counsel, Schiffrian Barroway, as Lead Counsel (the "Initial Motion"). Walter  
 15 noticed the Initial Motion for hearing before Magistrate Judge Maria-Elena James, to whom both  
 16 actions were assigned, on July 21, 2007. Following Defendants' declination to proceed before  
 17 the Magistrate Judge, the cases were reassigned to this Court, and Walter's hearing on the Initial  
 18 Motion was re-noticed for August 2, 2007. On July 10, 2007, plaintiffs Walter and Forseth  
 19 amended their moving papers to include the recently related actions filed by Forseth and  
 20 Doolittle in the consolidation, but did not change the substantive relief sought in the Initial  
 21 Motion. Moreover, the amended motion did not change the hearing date, which remained set for  
 22 August 2, 2007.

23 Under Northern District Local Rule 7-3(a), and under the Notice and Amended Notice  
 24 issued by the Clerk of the Court on June 13, 2007, Doolittle and Wilder were required to file an  
 25 opposition to Walter's and Forseth's Motion on or before July 12, 2007. However, they did not  
 26  
 27  
 28 2007.

1 meet that deadline. Instead, Doolittle and Wilder eventually filed their opposition on July 17,  
 2 2007, just two days prior to Walter's and Forseth's required reply date, and less than the twenty-  
 3 one (21) days prior to the hearing on the Motion that the Local Rules require.

4 **II. ARGUMENT**

5 Doolittle's and Wilder's failure to timely respond to the Motion constitutes a waiver. As  
 6 such, the Court should grant Walter's and Forseth's motion to consolidate the cases, appoint  
 7 them as Lead Plaintiffs and Schiffrian Barroway as Lead Counsel. Moreover, plaintiffs  
 8 Doolittle's and Wilder's failure to timely respond to Walter's and Forseth's Motion demonstrates  
 9 a lack of vigor in the prosecution of this action against Defendants, thereby bolstering Walter's  
 10 and Forseth's Motion for their appointment as Lead Plaintiffs, and Schiffrian Barroway as Lead  
 11 Counsel. Moreover, Walter's and Forseth's unique allegation regarding Sonic's failure to hold  
 12 an annual shareholder meeting demonstrates the superiority of their pleadings and their  
 13 dedication to vigorously prosecute defendants for *all* violations of law that have caused injury to  
 14 Sonic and its shareholders.

15 In light of the foregoing, Walter and Forseth respectfully request that this Court appoint  
 16 them as sole Lead Plaintiffs and Schiffrian Barroway as sole Lead Counsel. Walter's and  
 17 Forseth's pleadings are superior to those of Doolittle and Wilder, and Schiffrian Barroway is well-  
 18 versed in prosecuting derivative actions in California and throughout the country. *See* Motion at  
 19 5-7. Furthermore, Schiffrian Barroway has established itself as a leader in prosecuting options  
 20 backdating cases, seeking not only to hold the directors and officers responsible for their past  
 21 misconduct, but also to ensure that proper corporate governance reform is instituted so that these  
 22 practices are finally eliminated. *See id.*

23 Moreover, though counsel for Doolittle and Wilder suggests that their San Francisco-  
 24 based counsel are best positioned to lead this action simply because of their location, such a  
 25 suggestion ignores the numerous successful results Schiffrian Barroway has achieved in  
 26 prosecuting derivative, securities fraud and corporate fiduciary-related litigation in California  
 27

1 and throughout the country. Regardless, even if the Court were to countenance Doolittle's and  
 2 Wilder's "California Counsel" argument – which it should not – Lerach Coughlin has no  
 3 advantage over Schiffрин Barroway, which opened an office in Northern California in January  
 4 2007. *See Opp.* at 6. Thus, for all the foregoing reasons, this Court should grant Walter's and  
 5 Forseth's motion to consolidate the related actions, appoint themselves as Lead Plaintiffs and  
 6 appoint Schiffрин Barroway as Lead Counsel.

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8 Dated: July 19, 2007

Respectfully Submitted,

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10 **SCHIFFRIN BARROWAY  
TOPAZ & KESSLER, LLP**

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*Counsel for Plaintiffs Andrew Walter and James  
 Forseth and [Proposed] Lead Counsel*

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